

KENTUCKY AGRI-NEWS



Kentucky Agricultural Statistics Service
P.O. Box 1120
Louisville, Kentucky 40201-1120
Phone: (502) 582-5293 or 1-800-928-5277
E-mail: nass-ky@nass.usda.gov
and the
Kentucky Department of Agriculture
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FEATURING ▶ JUNE ACREAGE ▶ HOGS & PIGS ▶ MILK PRODUCTION
 ▶ CATTLE ON FEED ▶ AGRICULTURAL PRICES ▶ GRAIN STOCKS

2004 JUNE ACREAGE REPORT

U.S. HIGHLIGHTS

★ **Corn** planted area for all purposes was estimated at 81.0 million acres, up 3 percent from both 2002 and 2003.

★ **Soybean** planted area was estimated at 74.8 million acres, up 2 percent from last year. If realized, this would be the largest planted area on record and a rebound from the three year decline in acreage.

★ The **Eight-State Burley Belt** acres set was estimated at 156,300 acres, up 3 percent from a year ago, but 1 percent below the March intentions.

KENTUCKY

Farmers increased their acreage planted to corn, soybeans and tobacco in 2004. With higher prices farmers appear to be planting some previously idled cropland. A slight increase in the preliminary burley effective quota caused an increase in burley acreage. Corn planting got a fast start this spring with good weather. Planting was active into May when rain and flooding of low areas slowed progress. Some low areas had to be replanted numerous times. Rain and wet soils in late May and June also delayed soybean planting, tobacco setting and harvesting of winter wheat and barley.

Farmers expect to set an estimated 105,000 acres of **burley** tobacco, an increase of 2,000 acres from last year's 103,000 acres set. Acreage set to **dark fired tobacco** totaled 5,200 acres, up 100 acres from 2003. **Dark air tobacco** totaled 3,600 acres, up 50 acres from a year earlier. The majority of the crop is in good to fair condition with a few areas of the State reporting blue mold and/or black shank problems.

Corn planted was estimated at 1.24 million acres. Acreage planted increased 70,000 acres and the total is the largest in 4 years. Harvested for grain acreage was estimated at 1.14 million acres, an increase of 60,000 acres from the previous year. The corn planting season was hampered by persistent rain in May and June. Repeated flooding of low lying fields, forced some farmers

to replant numerous times. Some intended corn ground may have been planted to grain sorghum or left unplanted due to wet soils and/or lateness of the planting season.

Soybeans acreage was estimated at 1.29 million acres, up 40,000 acres from the 2003 crop. Soybean acreage for harvest as beans was estimated at 1.27 million acres. As of June 20th, 72 percent of the intended soybean acreage of the State had been planted. This was ahead of last year's 57 percent while below the 5 year average. Farmers have been actively planting second crop soybeans after the rain delayed winter wheat and barley harvest. Replanting of single crop soybeans was needed in flooded fields. The emerged crop was in mostly good to fair condition.

Winter wheat planted acreage was raised to 520,000 acres, an increase of 40,000 from the 2003 crop. Acres harvested for grain was raised to 370,000 acres, an increase of 40,000 acres from the previous year. As of June 20th, 32 percent of the winter wheat crop for grain had been harvested. Some test weights have been light and there has been some lodging. Head scab has reduced the quality of the crop.

Alfalfa hay acreage was estimated at 260,000 acres, up 10,000 from the 2003 crop. **All other hay** acreage was estimated at 2.00 million acres, down 200,000 acres from the previous year. Harvesting conditions this spring and early summer have been difficult due to frequent showers and poor drying conditions. Quality has been hurt by over maturity.

PLANTED & HARVESTED ACRES, JUNE 2004

CROPS	KENTUCKY ACREAGE			UNITED STATES ACREAGE		
	2003	2004		2003	2004	
		Indi- cated	% of 2003		Indi- cated	% of 2003
	(1,000 Acres)			(1,000 Acres)		
All Corn (Pl)	1,170	1,240	106	78,736	80,968	103
Corn for Grain (H)	1,080	1,140	106	71,139	73,362	103
Soybeans (Pl)	1,250	1,290	103	73,404	74,809	102
Soybeans for Beans	1,240	1,270	102	72,321	73,655	102
All Sorghum (Pl)	33	20	61	9,420	8,099	86
Sorghum for Grain (H)	32	18	56	7,798	6,916	89
Hay:						
All	2,450	2,260	92	63,342	61,589	97
Alfalfa	250	260	104	23,578	22,226	94
All Other	2,200	2,000	91	39,764	39,363	99
Tobacco:						
All	111.65	113.80	102	411.15	413.55	101
Burley	103.00	105.00	102	152.30	156.30	103
Type 22 E. Fired	2.60	2.70	104	7.80	8.10	104
Type 23 W. Fired	2.50	2.50	100	2.90	2.92	101
Type 35 One	2.30	2.30	100	2.84	2.86	101
Type 36 Gm River	1.25	1.30	104	1.25	1.30	104
All Wheat (Pl) 1/	480	520	108	61,700	59,869	97
All Wheat (H)	330	370	112	52,839	50,706	96
Barley (Pl) 1/	9	9	100	5,299	4,666	88
Barley (H)	8	8	100	4,688	4,152	89

1/ Includes acreage planted preceding fall. (Pl) = Planted, (H) = Harvested. Crops not so indicated are harvested.

JUNE 1 HOG & PIG INVENTORY

U.S. inventory of all hogs and pigs on June 1, 2004, was 60.1 million head. This was 1 percent above both June 1, 2003 and March 1, 2004. Breeding inventory, at 5.91 million head, was down 2 percent from June 1, 2003, and down slightly from last quarter. Market hog inventory, at 54.2 million head, was 1 percent above both last year and last quarter.

The March-May 2004 U.S. pig crop, at 25.5 million head, was down less than one-half of one percent from 2003, and down 2 percent from 2002. Sows farrowing during this period totaled 2.86 million head, 1 percent below last year. The sows farrowed during this quarter represented 48 percent of the breeding herd. The average pigs saved per litter was 8.93 for the March-May 2004 period, compared to

8.88 last year. Pigs saved per litter by size of operation ranged from 7.70 for operations with 1-99 hogs to 9.00 for operations with more than 5,000 hogs and pigs.

U.S. hog producers intend to have 2.87 million sows farrow during the June-August 2004 quarter, 1 percent below the actual farrowings during the same period in both 2003 and 2002. Intended farrowings for September-November 2004, at 2.84 million sows, are down slightly from the same period in 2003, but up slightly from the same period in 2002. The total number of hogs under contract, owned by operations with over 5,000 head, but raised by contractees, accounted for 38 percent of the total U.S. hog inventory, up from 35 percent last year.

HOGS AND PIGS: INVENTORY NUMBERS BY CLASS & WEIGHT GROUPS JUNE 1, 2003 - 2004, SELECTED STATES AND U.S.

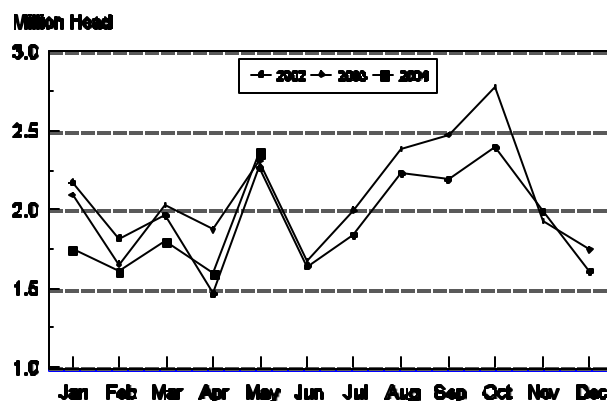
State	TOTAL		BREEDING		MARKET		MARKET HOGS							
	2004		2004		2004		Under 60 lbs.		60-119 lbs		120-179 lbs		180 lbs +	
	1,000	% of	1,000	% of	1,000	% of	2003	2004	2003	2004	2003	2004	2003	2004
	Head	2003	Head	2003	Head	2003	(1,000 Head)							
AR	335	124	85	113	250	128	120	145	25	40	25	30	25	35
CO	710	97	125	100	585	97	315	310	90	95	85	80	115	100
IL	3,950	98	420	100	3,530	97	1,330	1,350	890	850	780	750	630	580
IN	3,100	102	290	94	2,810	103	990	1,020	650	630	570	600	530	560
IA	15,900	101	1,060	99	14,840	101	4,890	4,540	3,950	4,200	3,190	3,300	2,700	2,800
KS	1,730	115	165	100	1,565	116	445	540	285	320	255	275	360	430
MI	910	98	95	95	815	98	310	310	210	190	165	170	145	145
MN	6,500	103	600	100	5,900	104	2,300	2,360	1,390	1,420	1,180	1,230	830	890
MO	2,900	100	320	94	2,580	101	1,250	1,280	530	520	470	480	310	300
NE	2,850	97	360	95	2,490	97	1,020	980	680	660	495	460	375	390
NC	10,100	103	1,000	100	9,100	103	3,750	3,750	2,100	2,150	1,650	1,750	1,300	1,450
OH	1,450	99	155	97	1,295	100	535	535	315	310	275	270	175	180
OK	2,450	107	350	97	2,100	108	860	980	280	330	280	310	520	480
PA	980	92	110	92	870	93	350	310	220	230	190	180	180	150
SD	1,230	92	145	100	1,085	92	380	370	305	290	280	250	220	175
TX	870	96	110	100	760	95	275	255	150	165	135	175	240	165
WI	440	92	50	83	390	93	170	150	90	85	85	80	75	75
Other 1/	3,678	97	473	102	3,204	97	1,143	1,123	812	766	718	687	633	630
U.S.	60,083	101	5,913	98	54,169	101	20,433	20,308	12,972	13,251	10,828	11,077	9,363	9,535

1/Individual state estimates not available for the 33 other States. Kentucky included in other States.

CATTLE ON FEED

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 10.62 million head on June 1, 2004. The inventory was 1 percent above June 1, 2003 but 3 percent below June 1, 2002. **Placements** in feedlots during May totaled 2.36 million, 2 percent above 2003 and 4 percent above 2002. Net placements were 2.28 million. During May, placements of cattle and calves weighing less than 600 pounds were 495,000, 600-699 pounds were 486,000, 700-799 pounds were 772,000, and 800 pounds and greater were 610,000. **Marketings** of fed cattle during May totaled 2.03 million, 9 percent below 2003 and 7 percent below 2002. **Other disappearance** totaled 79,000 during May, 22 percent above 2003 and 3 percent above 2002.

United States Cattle on Feed 1,000+ Capacity Feedlots Number Placed



KENTUCKY LIVESTOCK PRICES REMAIN STRONG

Prices received by **Kentucky** farmers advanced for cattle and wheat and remained strong for hogs. Corn and soybean prices declined.

Cattle and calf prices for mid-June continued to increase over the previous months. **Steers and heifers** 500 lbs. and over averaged \$103.00 per cwt. for mid-June. This was up \$6.00 from May and \$23.00 from June 2003. Steers and heifers have been setting monthly record highs since February 2004. **Beef cow** prices averaged \$52.00 per cwt., up \$1.00 from a month earlier and \$11.00 from June 2003. Beef cow prices are the highest since May 1991. Calf prices continue to increase. **Calves** under 500 lbs. for mid-June averaged \$119.00 per cwt., a record high for the fourth consecutive month. The mid-month price was up \$4.00 from May and \$28.00 from the previous year.

Prices for hogs were steady to up at mid-month. **Barrows and gilts** for mid-June averaged \$57.00 per cwt., the same as May and up \$11.00 from June 2003. **Sows** at \$44.00 per cwt. were up \$3.00 from a month earlier and \$14.00 from a year earlier.

The **all milk** price for mid-June is projected to be \$20.30 per cwt., up 30 cents from May's average price and \$8.10 from June 2003. The all milk price continues to set record highs. Final monthly all milk prices will vary from projected mid-month prices due to price changes announced by Milk Marketing Orders, actual milk fat content, and quantity sold by class.

Prices for grain were all above the previous year but mixed compared to May. The **corn** price for mid-June was \$2.95 per bushel, down 11 cents from May while up 23 cents from the previous year. The **soybean** price for mid-

month was \$8.90 per bushel, down 4 cents from May while up \$2.74 from June 2003. The **winter wheat** price for June was \$3.40 per bushel, up 1 cent from the previous month and 28 cents from the previous year.

The preliminary **U.S.** All Farm Products Index of Prices Received by Farmers in June at 129, based on 1990-92=100, unchanged from the May Index, but up 22 points (21 percent from June 2003). The Livestock & Products Index remained unchanged from May while the All Crops Index decreased 1 point (0.8 percent). Producers received higher prices for lettuce, broilers, sweet corn, and cattle. Lower prices were received for milk, soybeans, tomatoes, and grapes. The seasonal change in the mix of commodities farmers sell, based on the past 3 year average, also affects the overall index. Increased average marketings of wheat, grapes, hay, and cantaloup offset decreased marketings of strawberries, oranges, sweet corn, and tomatoes.

AVERAGE PRICES RECEIVED BY FARMERS -(Dollars)

COMMODITY	UNIT	KENTUCKY			US
		JUNE 2003	MAY 2004	JUNE 2004	JUNE 2004
		Entire Month		Mid-Month a/	
All Corn b/ c/	Bu.	2.72	3.06	2.95	2.74
Soybeans b/	Bu.	6.16	8.94	8.90	8.72
Winter Wheat b/	Bu.	3.12	3.39	3.40	3.49
Alfalfa Hay, baled	Ton	110.00	100.00	100.00	102.00
All Other Hay, baled	Ton	64.00	64.00	58.00	76.90
All Hogs	Cwt.	45.40	56.40	56.50	56.70
Barrows & Gilts	Cwt.	46.00	57.00	57.00	57.20
Sows	Cwt.	30.00	41.00	44.00	45.10
All Beef Cattle d/	Cwt.	70.60	86.00	90.80	89.40
Steers & Heifers e/	Cwt.	80.00	97.00	103.00	93.30
Cows	Cwt.	41.00	51.00	52.00	52.90
Calves f/	Cwt.	91.00	115.00	119.00	124.00
Milk Wholesale					
All	Cwt.	12.20	20.00	20.30	18.40
Hog-Corn Ratios g/	Bu.	16.7	18.4	19.2	20.7

a/ Preliminary. b/ Includes contract sales paid during month. c/ Includes yellow and white corn. d/ "Steers and heifers" and "cows" combined. e/ 500 lbs. and over. f/ Under 500 lbs. g/ Number of bushels of corn equal in value to 100 lbs. of hog live weight.

MILK PRODUCTION

Kentucky milk production for May 2004 totaled 125 million pounds, down 7 percent from May 2003. Average number of milk cows on farms, at 108,000 head, was down 11,000 head from May 2003 and down 1,000 head from last month. Milk per cow averaged 1,155 pounds for May 2004, up 30 pounds from May 2003 and unchanged from April 2004.

Milk Production in the **20 major States** during May totaled 13.0 billion pounds, down 0.1 percent from May

2003. April revised production, at 12.6 billion pounds, was down 0.8 percent from April 2003. The April revision represented an increase of 4 million pounds from last month's preliminary production estimate. Production per cow in the 20 major States averaged 1,684 pounds for May, 13 pounds above May 2003. The number of cows on farms in the 20 major States was 7.72 million head, 71,000 head less than May 2003, and 5,000 head less than April 2004.

JUNE 1 GRAIN STOCKS

Corn stocks in **Kentucky** totaled 24.4 million bushels on June 1, 2004. The June 1 corn stocks were up 12 percent from the previous year. Corn stored on farms totaled 11.5 million bushels, up 15 percent from June 2003. Corn stored in off-farm facilities, at 12.9 million bushels, was up 9 percent from the previous year and accounted for 53 percent of total corn stocks. Off-farm stocks include grain stored at mills, elevators, warehouses, terminals and processors. Off-farm stocks estimates were made only for oats, wheat, barley, grain sorghum and soybeans. Off-farm stocks of **oats** for June 1 were 143,000 bushels, up 28,000 from a year earlier. The off-farm stocks of **all wheat** were 2.20 million bushels, up 8 percent from a year earlier. Estimates of **soybeans, barley and grain sorghum** were not made published to avoid the disclosure of individual operations.

U.S. corn stocks in all positions on June 1, 2004 totaled 2.97 billion bushels, down slightly from June 1, 2003. Of the total stocks, 1.54 billion bushels were stored on farms, down 5 percent from a year earlier. Off-farm stocks, at 1.43 billion bushels, were up 5 percent from the previous year. **Soybeans** stored in all positions on June 1, 2004 totaled 410.0 million bushels, down 32 percent from June 1, 2003. This was the lowest June 1 stocks level since 1977. On-farm stocks totaled 110.0 million bushels, down 60 percent from a year ago. Off-farm stocks, at 300.0 million bushels, were down 9 percent from the previous year. **All wheat** stored in all positions on June 1, 2004 totaled 546.0 million bushels, up 11 percent from a year ago. On-farm stocks were estimated at 131.9 million bushels, down slightly from last year. Off-farm stocks, at 414.1 million bushels, were up 15 percent from a year ago.

KENTUCKY AND UNITED STATES STOCKS OF GRAIN, JUNE 1, 2004 WITH COMPARISONS

CROP	POSITION	KENTUCKY			UNITED STATES		
		June 1, 2003	March 1, 2004	June 1, 2004	June 1, 2003	March 1, 2004	June 1, 2004
(Thousand Bushels)							
Corn	On-Farm	10,000 <u>5</u> /	30,000	11,500	1,620,200	3,030,000	1,540,000
	Off-Farm <u>1</u> /	11,798	21,483	12,895	1,364,718	2,241,459 <u>5</u> /	1,429,685
	Total	21,798 <u>5</u> /	51,483	24,395	2,984,918	5,271,459 <u>5</u> /	2,969,685
Sorghum	On-Farm	<u>2</u> /	<u>2</u> /	<u>2</u> /	11,150	21,000	7,650
	Off-Farm <u>1</u> /	<u>4</u> /	<u>4</u> /	<u>4</u> /	70,744	137,652	72,516
	Total	<u>2</u> /	<u>2</u> /	<u>2</u> /	81,894	158,652	80,166
Oats	On-Farm	<u>3</u> /	<u>3</u> /	<u>3</u> /	20,600	45,600	27,500
	Off-Farm <u>1</u> /	115	86	143	29,233	49,414 <u>5</u> /	37,232
	Total	115	86	143	49,833	95,014 <u>5</u> /	64,732
Barley	On-Farm	<u>2</u> /	<u>2</u> /	<u>2</u> /	14,860	51,700	28,320
	Off-Farm <u>1</u> /	<u>4</u> /	<u>4</u> /	<u>4</u> /	54,480	101,186 <u>5</u> /	91,991
	Total	<u>2</u> /	<u>2</u> /	<u>2</u> /	69,340	152,886 <u>5</u> /	120,311
All Wheat	On-Farm	<u>2</u> /	<u>2</u> /	<u>2</u> /	132,110	257,890	131,880
	Off-Farm <u>1</u> /	2,030	3,933	2,198	359,306	762,727 <u>5</u> /	414,123
	Total	<u>2</u> /	<u>2</u> /	<u>2</u> /	491,416	1,020,617 <u>5</u> /	546,003
Soybeans	On-Farm	<u>2</u> /	<u>2</u> /	<u>2</u> /	272,500	355,900	110,000
	Off-Farm <u>1</u> /	3,913	6,944	<u>4</u> /	329,862	549,947 <u>5</u> /	299,560
	Total	<u>2</u> /	<u>2</u> /	<u>2</u> /	602,362	905,847 <u>5</u> /	409,560

1/Includes stocks at mills, elevators, warehouses, terminals and processors. 2/Kentucky is a minor State, not published separately. 3/On-Farm oat stocks estimates not made. 4/Not published to avoid disclosure of individual operations. 5/Revised.

Internet Access: Kentucky Agricultural Statistics Service (KASS) data including this report are available free of charge on our Internet homepage located at <http://www.nass.usda.gov/ky>. Links to the Kentucky Department of Agriculture, the University of Kentucky Agricultural Weather Center and other web sites related to Kentucky Agriculture are also included. National & State reports and data are available on the National Agricultural Statistics Service (NASS) homepage located at <http://www.usda.gov/nass/>